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MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS  
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Subject: Fiscal Year 2006 Executive and Senior Professional Performance Plans

This memorandum reminds executives and rating officials of the Department's performance management requirements for Fiscal Year 2006.

Each Executive and Senior Professional is required to have a new performance plan in place beginning October 1, 2005, or for at least 90 days before the end of the performance rating cycle, September 30, 2006. Although the Department is considering improvements to the current Executive and Senior Professional Pay and Performance System based upon lessons learned from the 2005 performance management cycle and new OPM requirements, the requirement for an annual performance plan will not change.

To develop the required performance plans, please follow the guidance in Subchapter 920, "Executive and Senior Professional Pay and Performance System." The attached guidance highlights important considerations in developing performance plans and writing results-driven performance requirements.

The annual performance plan establishes a common understanding between Executives/Senior Professionals and their rating officials about performance expectations. Plans must include expectations of accomplishments relative to position requirements, the organization's mission, as well as appropriate external standards, such as the President's Management Agenda. Requirements must be results-driven and align



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to strategic goals. For 2005 Performance Plans, we required that only one Performance Element, Mission Accomplishment, be stated in terms of measurable results. OPM requires for continued Provisional Certification of our Executive and Senior Professional Pay and Performance System that all performance requirements be stated in those terms.

I encourage you to visit the SES webpage at [www.cpms.osd.mil/sespm/index.htm](http://www.cpms.osd.mil/sespm/index.htm) to familiarize yourself with DoD's SES performance management policy (i.e., Subchapter 920), resources, additional guidance and other developments with the SES program.

For any questions, please contact Marilee Fitzgerald at (703) 614-9487 or [marilee.fitzgerald@osd.mil](mailto:marilee.fitzgerald@osd.mil).



David S. C. Chu

Attachments:  
As stated

## **Fiscal Year 2006 Executive and Senior Professional Performance**

### **Executive and Senior Professional Performance Plans**

A new appraisal period began October 1, 2005 through September 30, 2006. DoD Components have the opportunity to review and modify, as appropriate, employee performance plans. Performance plans must:

- Involve employee input;
- Show clear linkage to agency/organization annual strategic plans;
- Describe the executive's work and the performance level expected to achieve expectations;
- Reflect result-oriented performance standards that are observable, measurable, and/or demonstrable;
- Incorporate appropriate and balanced measures (i.e., employee and/or customer/stakeholder feedback; quality, quantity, timeliness, and cost effectiveness; technical, leadership, and or managerial competencies);
- Include a requirement holding senior employees accountable for rigorous performance management and for aligning their subordinate employees' performance plans to organizational goals; and
- Be communicated to the executive on or before the beginning of the appraisal period, during the appraisal period, and following the final rating.

### **Performance Elements and Performance Requirements**

These two important terms are used to describe and organize expected results in the annual performance plan. Each is described separately below. However, simply stated, a Performance Element is a major job category of responsibility, e.g. leadership/supervision. There are seven standard Performance Elements. Three are mandatory for each executive, and they are different for SES and STs and SLs. They may be weighted. For each Performance Element, there must be one or more (generally not more than four) results and mission-focused outcomes that an executive must accomplish. These outcomes are called Performance Requirements, and they state in unambiguous terms what is expected of an executive at the achieved expectations performance level. Performance Requirements must be specific so that expectations are clear, results-focused, and measurable. The focus of an executive's performance plan is on Performance Requirements.

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## Example:

Performance Element	Performance Requirement
Mission Accomplishment - 50%	1. To reduce redundancy and cost in human resources management (Goal 1.1), by June 2006, implement a single DoD web-based resources data system on-time and within budget. Garner Component cooperation, support, and satisfaction with the implementation as evidenced by the Project Evaluation Survey.
Leadership/Supervision - 25%	1. To help build a diverse workforce (Goal 2), by June 2006, develop and obtain Department support for recommendations to improve the diversity and "jointness" of the SES and adopt metrics to gauge progress and target improvements. Results demonstrate effective and ethical leadership, effective interactions with customers, and respectful and conscientious actions.

## Performance Elements

There are seven standard performance elements (categories of responsibilities). These are leadership/supervision, contribution to mission accomplishment, resource management, communication, cooperation/teamwork, customer care, and technical competence/problem solving. The regulation provides a benchmark description for each of these Performance Elements to help describe characteristics of successful executives. Of the seven, three are mandatory. For SES members, they are contribution to mission accomplishment, leadership/supervision, and customer care. For senior professionals, they are contribution to mission accomplishment, customer care, and technical competence/problem solving. The three mandatory performance elements (and any other of the remaining performance elements selected) are considered critical. Failure to meet the Performance Requirements for each Performance Element will result in an unsatisfactory performance appraisal. If weights are used, mission accomplishment must be given the highest percentage weight among all performance elements selected.

## Performance Requirements

Performance requirements are results oriented, mission-focused, unambiguous, measurable job expectations. These are the "big rocks" that must be performed during the performance period. They are not "task listings." All Performance Requirements must be written in SMART-Q language (i.e., Specific, Measurable, Achievable, Realistic, Timely, and Quality). SMART-Q is a common framework for developing performance requirements (see Attachment 2). Each requirement should demonstrate the complexity and scope of the work, be attainable, and yet represent challenge and stretch. Performance requirements outlined at the beginning of the performance cycle will be the basis for determining accomplishments and recognition.

Each performance element should have at least one to four "smartly" written performance requirements for each of the three mandatory elements that describe major



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responsibilities and level of performance (i.e., results) that is expected. The Performance Requirement specifies outcomes and level of performance expected to achieve expectations. It may specify behaviors required for results, as in our example above. The Performance Requirement takes significant, strategic organizational objectives and turns them into concrete, specific, and actionable expectations. A Performance Requirement may share "characteristics" from other Performance Elements (e.g., communication and customer care) to help specify the outcomes of a particular Performance Element. Executives concerned with redundancy and the length of performance plans may want to explore this approach.

For supervisory positions, there are two mandatory performance requirements as part of the leadership/supervision element. There must be a requirement stating that employee performance plans were aligned with organizational goals and appraised realistically against clear measurable standards of performance and another achieving equal employment opportunity and affirmative action results.

## **Feedback**

Feedback to an executive during the performance rating period contributes to individual and organizational performance. Ongoing feedback is highly recommended, but at least one progress review must be held between a rating official and an executive during the rating period. Feedback sessions help clarify expectations and gauge progress, diagnose strengths and weaknesses, reset requirements necessitated by a significant organizational change, and or determine professional development needs.

## **Training**

The Office of the Secretary of Defense (OSD) and each DoD Component is responsible for providing training periodically to authorizing officials, rating officials and performance review boards. DoD Components should provide training, as appropriate. For example, OSD through the Office of the Deputy Under Secretary of Defense for Civilian Personnel Policy (ODUSD/CPD) is developing an enterprise-wide training on how to develop well-written performance plans. This training will be available in January 2006.

**"SMART-Q" Tips**

Performance Requirements should be written using the SMART-Q framework. SMART-Q is an acronym that describes the six characteristics of a well-written performance requirement which are:

<b>SMART-Q Performance Requirements</b>	
<b>Acronym</b>	<b>Description</b>
<b>Specific</b>	Precise and stated in performance terms of result to be achieved
<b>Measurable</b>	Easy to determine if the result has been met
<b>Achievable</b>	High, but is attainable
<b>Realistic</b>	Aligned to organizational performance needs
<b>Timely</b>	Set for a specific time frame for completion within an evaluation year
<b>Quality</b>	Addresses how well the executive or work unit performed the work and/or the accuracy or effectiveness of the final product and who will judge the quality. (Quality measures can include error rates and customer satisfaction rates.)

Below are helpful tips and examples of well-written performance requirements for developing a smartly-written performance plan:

**Performance Elements:**

- ✓ Link and cascade individual performance with organizational goals
- ✓ Include those standard performance elements, including three mandatory elements, essential to the job
- ✓ Include performance requirement on achieving equal employment opportunity and affirmative action results
- ✓ Develop and include any additional performance elements (optional)
- ✓ Determine what to measure (the measure is the performance yardstick)

**Performance Requirements:**

- ✓ Develop SMART-Q result-oriented performance requirements that align with organization strategic plans or other guidance documents
- ✓ Identify objectives to reach the goal (result)
- ✓ Write no more than 3 or 4 performance requirements for each performance element
- ✓ Choose the type of measure (e.g., quality, quantity, cost)
- ✓ Start with an Action Verb (e.g., increase, complete, conduct, attain, achieve)

**Examples of Well-Written Performance Requirements:**

- ✓ Successfully defend Missile Defense Agency budget. Submit a balanced defensible out year budget with a goal of receiving consistent support from Congress by FY06.
- ✓ Protect and defend our Naval critical infrastructures, networks, and information to maximize mission assurance:
  - Implement digital signatures and strong authentication across the Department by 30 Sep 06.
  - Deliver a means for Naval installations to self-assess Department of Navy (DON) Critical Infrastructure by 30 Sept 06.
  - Complete Federal Information Security Management Act certification and accreditation for all systems by 30 Sep 06.
- ✓ Implement the e-Business Marine Corps Contract Management Process System in at least two of the major Regional Contracting Offices by Sept 30, 2006.
- ✓ Facilitate Army transformation and readiness through the development and sustainment of programs and policies to "Man the Force" with the required numbers, mix, and quality soldiers and civilians:
  - 90% of overall retention goals achieved
  - Reduce the current civilian time-to-fill (days)
  - Reduce time-to-fill SES position vacancies
  - 90% of on production recruiter positions filled
  - 90% officer accessions achieved
  - 90% of recruiting quality goals met
- ✓ Implement a collaborative multi-Service weapon system safety review process in support of DoD Special Forces with a goal to shorten the review time of each weapon system by 8% by the end of FY06.
- ✓ Deliver civilian contingency contracting officer capability to AF and Joint warfighter. Develop and implement deployment plan for deliberate and measured deployment of civilians. Plan in place and civilians identified for deployment by 30 Sep 06.